

Instructions for the TC-61 Return and Schedules

Forms TC-61, TC-61 Schedule PS (Point of Sale) and TC-61 Schedule PSD (Point of Sale Detail) are used for sales tax periods beginning July 1, 2004. To file amended returns for periods prior to July 2004, the appropriate TC-71 forms and schedules should be used. Forms can be found online at tax.utah.gov/forms.

With the exception of sellers that have opted not to receive paper forms, the Tax Commission mails personalized sales

tax return forms to all sellers with a valid sales tax license. All sales tax filers receive form TC-61, Sales and Use Tax Return. TC-61 Schedule PS and TC-61 Schedule PSD are mailed to filers required to submit the schedules.

For more details on schedule filing requirements, see “Who Must File” in the section titled “Instructions for TC-61 Schedule PS and TC-61 Schedule PSD”.

General Instructions

To amend a previously filed return, check the “Amended Return” box on form TC-61 and enter the period being amended in the “Tax Period” box. Amended returns should be filed with corrected amounts, not net amounts. Calculate any refund or balance due by subtracting the original payment from the corrected tax due. Submit payment of the balance due, or attach a letter requesting a refund of the overpayment. Failure to pay all additional tax and interest with the amended return will result in late payment penalty charges.

Note: Amended returns for periods beginning prior to July 2004 should be filed using the TC-71 series of returns. For periods beginning on or after July 1, 2004, you must use the TC-61 return.

If you are filing electronically or using substitute forms and no longer wish to receive paper returns, please check the “Stop

Receiving Paper Forms” box. Checking this box does not relieve you of the obligation to file and pay sales and use tax.

Substitute forms must meet all specifications and be approved by the Tax Commission prior to use. Refer to Publication 99, *Guidelines for Substitute and Copied Utah Tax Forms*.

Contact the Tax Commission if address information is incorrect or if ownership changes. If your business was discontinued, a new business started or if there was a change of ownership, attach a statement of explanation giving the specific dates and details of the changes.

Sales and use taxes collected by a seller shall be held in trust for the benefit of the state and for payment to the Tax Commission in the manner and at the time provided for in Utah Code §59-12.

TC-61 Line Instructions

Line 1 Enter your total sales (cash, credit, installment, exempt, etc.) of all goods and services in Utah. Do not include sales tax collected as part of total sales on this line. See Utah Code §59-12-102 for a detailed description of total sales.

Line 2 Enter the total amount of exempt sales included in line 1. Do not show details of exempt sales on this form. You are, however, required to maintain a detailed record of all exempt sales claimed. See Utah Code §59-12-104, or Tax Commission Publication 25 for detailed information on exemptions.

Line 4 Enter the amount paid for items purchased tax free and used by you (e.g. office supplies, office or shop equipment, or computer hardware and software that you are not reselling). Report the total taxable amount, not including tax, on this line.

Line 6 Enter any adjustments for sales or purchases reported in previous periods such as bad debts, returned goods, cash discounts allowed, or excess tax collected. All adjustments should be converted to a taxable amount and entered here. Attach an explanation including dollar amounts for each adjustment. See Administrative Rule R865-19S-20.

Line 7 Calculate and enter the net taxable sales and purchases. **This amount must equal TC-61 Schedule PS line D, and TC-61 Schedule PSD Total Net Taxable Sales and Purchases**, if these schedules are required.

Line 8 Enter total tax on **either** 8a or 8b—**NOT BOTH**. It is very important you use the correct line. If preprinted paper forms are mailed to you by the Tax Commission, the line you do not use will be shaded in gray.

Line 8a This line is intended for businesses that have a single fixed location. Report total tax on this line if you are not required to file TC-61 Schedule PS or TC-61 Schedule PSD, as explained above, and do not meet the criteria outlined in the next section, *Instructions for TC-61 Schedule PS and TC-61 Schedule PSD, Who Must File*.

Calculate total tax due by multiplying the amount on line 7 by the tax rate for your single fixed place of business. Please enter your location's tax rate in the space provided on this line. Find the appropriate tax rate for your business location online at tax.utah.gov/sales/rates.html. Rates can change quarterly; verify your location's tax rate prior to the beginning of each quarter.

Line 8b If you are not eligible to use line 8a, you must enter the total tax due as calculated on TC-61 Schedule PSD.

Line 9 Determine any credit to which you are entitled for sales of electricity, heat, gas, coal, fuel oil, and other fuels sold for residential use by multiplying the amount of these sales included on line 3 by .0275. Only retailers making sales of fuel for residential use may claim this credit.

Line 11 **Monthly filers only:** Compute the seller discount by multiplying total state and local taxes due on line 10 by 1.31 percent (.0131). Only sellers that collect and remit sales taxes on a **monthly** basis qualify for the seller discount. The Tax Commission must authorize a monthly filing status. If you collect and remit sales taxes on a quarterly or annual basis, you are not eligible for a seller discount. Monthly filers who are

required to pay by EFT (Electronic Funds Transfer) but pay by some other method are not eligible for the seller discount.

Line 13 This line is to be used **ONLY** by manufacturing facilities in Utah described within Standard Industrial Classification (SIC) Codes 2000 through 3999, or qualifying scrap recyclers, or cogeneration facilities placed in service on or after May 1, 2006, and by semiconductor manufacturers that purchase fabricating, processing or research and development materials for use in research or development, manufacturing, or fabricating of semiconductors. The amount to be shown is the total amount of qualifying exempt purchases and leases.

Sellers or purchasers failing to report the amount requested on line 13 shall be penalized the lesser of \$1,000 or 10 percent of the sales and use tax that would have been imposed if the exemption had not applied.

Instructions for TC-61 Schedule PS and TC-61 Schedule PSD

Who Must File

Complete **BOTH** of these schedules if you:

- have more than one fixed place of business in Utah.
- have non-fixed place(s) of business in Utah and sell tangible personal property that you deliver yourself to customers in Utah.
- sell goods or services shipped directly to Utah consumers from out-of-state.
- have sales that are exempt from resort tax.
- are a utility or telecommunications company.
- are a vending machine operator.
- are a leasing company.
- are a construction contractor or entity that stores, uses or consumes tangible personal property at various places in Utah other than a fixed place of business.
- are a multi-level marketing company with a signed agreement.

Important Notes:

1. The net taxable sales and purchases amounts entered on TC-61 Schedule PS in column 3 for each outlet and TC-61 Schedule PSD for each jurisdiction should be computed as follows: Total sales (TC-61 line 1) minus exemptions (TC-61 line 2), plus goods purchased tax free and used by you (TC-61 line 4), plus or minus adjustments (TC-61 line 6).
2. On the TC-61, the amount entered on line 2 (exempt sales) should be the total of the individual exempt amounts included in the calculations of net taxable sales and purchases in column 3 of the TC-61 Schedule PS and TC-61 Schedule PSD as explained above in note 1. The same applies to line 4 (goods purchased tax free and used by you) and line 6 (adjustments).

3. Make sure you enter your business name, account number and tax period in the header section on both sides of Schedule PS and Schedule PSD.

TC-61 Schedule PS Column Instructions

Section A: Sales and purchases from fixed places of business in Utah

- Column 1 Column 1 is preprinted with your fixed places of business or delivery outlets as listed in the Tax Commission's files. Report immediately any changes in this information. If you have additional or new locations in Utah, list them in column 1. Please be sure to include complete address information.
- Column 2 Column 2 is preprinted with the Tax Commission's designated outlet code and corresponding county/city code. It requires no entry by you.
- Column 3 Report **net taxable sales and purchases** for each location listed. If you added any new locations in column 1, report amounts here. Total all net taxable sales and purchases and enter amount on line A.

Section B: Sales in Utah from a non-fixed business location and/or delivered from out-of-state inventory by companies with Utah nexus. (See Pub 37 for information on nexus.)

- Column 1 Column 1 is preprinted with the county name and requires no entry by you.
- Column 2 Column 2 is preprinted with the county/city code and requires no entry by you.

Column 3 Report **net taxable sales and purchases** made in each county from non-fixed places of business and/or delivered from out-of-state inventory if you are a company with Utah nexus.

Line C

Column 3 Report net sales into Utah delivered from out-of-state, if you are a non-nexus company.

Line D

Column 3 Add the total from Section A, all amounts in Section B, the amount on Line C and enter the total here. Verify that this amount equals the total net taxable sales and purchases reported on TC-61 line 7 and the total on TC-61 Schedule PSD, page 2.

TC-61 Schedule PSD Column Instructions

Important Changes

Schedule PSD is used to calculate tax for the net taxable sales and purchases listed in the various sections of TC-61 Schedule PS. This reporting is based on the point of sale. Amounts on Schedule PS should be reported on Schedule PSD according to the following guidelines:

Schedule PS, Section A: Sales from fixed locations are reported on the corresponding jurisdiction lines of Schedule PSD. If you have multiple outlets within a given county/city code, the total sales from all applicable outlets are combined into that one jurisdiction on Schedule PSD.

Schedule PS, Section B: Sales in Utah from a non-fixed business location and/or delivered from out-of-state inventory by nexus companies are collapsed to the county level on Schedule PS. On Schedule PSD, these sales are reported to the county/city jurisdiction where the goods were received, or in the case of vending sales, the point where the sales of the goods occurred. If the specific city is not listed, report these sales to the county jurisdiction.

Schedule PS, Line C: Sales to Utah delivered from non-nexus companies should be reported in the jurisdiction labeled "Non-Nexus Companies" in Part 1 on the second page of Schedule PSD. Tax on these sales is calculated at the lowest common rate, which is 5.75 percent.

Please note that individual jurisdictions on Schedule PSD may contain amounts from one or more of the sections or lines on Schedule PS. For example; \$1,000 in sales from a fixed outlet in Salt Lake City (Section A) and \$500 in sales shipped from out-of-state into Salt Lake County (Section B), would appear as \$1,500 on the Salt Lake County (18-000) line of Schedule PSD.

Schedule PSD, Part 1: All sales except those in Part 2

Part 1 is for all sales and purchases except those exempt from resort tax, which are reported in Part 2 (see Part 2 for list of resort tax-exempt items). Sales are reported in **EITHER** Part 1 or Part 2, but **NOT BOTH**.

Column 1 Column 1 is preprinted with taxing jurisdictions and requires no entry by you. All cities and towns not listed beneath a county have adopted the same taxes and charge the same sales tax rate as the county (example: Salt Lake City is not listed below Salt Lake County because the tax rate is the same). **If the city is not shown, enter total sales on the line for the COUNTY in which the city is located.**

Column 2 Column 2 is preprinted with the county/city code and requires no entry by you.

Column 3 Enter in column 3 the net amount subject to sales and use tax for each jurisdiction shown in column 1. Add amounts in column 3 and enter in the Part 1 Totals box.

Column 4 The figure preprinted in column 4 is the combined tax rate applicable to the jurisdiction shown in column 1 and requires no entry by you.

Column 5 Enter the tax due in column 5. Calculate the tax by multiplying each amount in column 3 by the tax rate printed in column 4. Add all amounts in column 5 and enter in the Part 1 Totals box.

Schedule PSD, Part 2: Sales Exempt from Resort Tax

Sales of motor vehicles, aircraft, watercraft, manufactured homes, modular homes, and mobile homes in resort communities are exempt from resort tax. Sales of these items made in resort communities should be reported in this part of the TC-61 Schedule PSD, since the combined tax rate in column 4 of this section does not contain the resort tax rate. Column instructions for this section are the same as indicated above in Part 1.

Add the amounts in columns 3 and 5 and enter in the Part 2 Totals boxes. Add the totals for column 3 and for column 5 from Part 1 and Part 2 and enter in the Schedule PSD Totals boxes. Transfer the Total Sales and Use Tax amount to line 8b on form TC-61. Also, verify that the Total Net Taxable Sales and Purchases amount equals the amount reported on TC-61 line 7 and line D on TC-61 Schedule PS.

If you need additional information or access to online services, forms or publications, visit the Tax Commission's website at **tax.utah.gov**. You may also write to or visit the Utah State Tax Commission at 210 North 1950 West, Salt Lake City UT 84134-0400, or telephone (801) 297-2200 or 1-800-662-4335 if outside the Salt Lake City area. Questions can be e-mailed to **taxmaster@utah.gov**.

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811 or TDD (801) 297-2020. Please allow three working days for a response.